

Control No. 2035

18 June 1954

MEMORANDUM FOR: IWG Members
Mr. Spencer M. Beresford, FOA/MDAC
Mr. Douglas Coster, State/EDS

SUBJECT : Clearance for [] date of information
25X1A2g 25 and 30 May 1954

1. Enclosed is a copy of the subject communication. Permission has been granted to disseminate it further as follows:

To FOA/MDAC/Washington and USRO/Paris FOR INFORMATION ONLY, classified SECRET/US OFFICIALS ONLY; to posts at Hamburg, Bonn, Brussels, Antwerp, The Hague, Rotterdam, Bern, London, Liverpool, Santiago and Lima, FOR ACTION, classified SECRET.

2. The shipments referred to in paragraphs 1a, b and c appear to be "routine" shipments, to be included in the periodic report to AmConGen Hamburg.

3. The shipment described in paragraph 1d also appears to be a legitimate one. SELVE AND CO., Thun, Switzerland is a fairly large manufacturer of nickel and copper products, reported to maintain a 4000 ton stockpile of the latter commodity. This office has no derogatory information on the firm.

Although shipment to Thun from Chile by way of Antwerp is a reasonable route, the possibility of diversion in that port always exists. "To Order" consignments are particularly susceptible.

4. The shipment described in paragraph 1e appears suspicious. Hamburg D-13, 7 July 1953 reported a possible diversion of 500 tons of lead sold by Norddeutsche Affinerie, Hamburg to METALLGESELLSCHAFT, Frankfurt, who resold it to ELECTRIC EQUIPMENT, Brussels, purportedly for an Iranian consignee. The shipment was sent to Rotterdam, where it was apparently transshipped to East Germany on the SS MUTUAFIDES. Hamburg reported the Rotterdam intermediary to be OUDKERP of 27 Vollenhozensraat, whereas The Hague reported the intermediary to be NEDERLANDS TRANSPORT BUREAU (see The Hague, Tel. Unnumbered of 29 June 1953).

Shipment to the free port of Rotterdam, consigned "To Order", with notification to a forwarding firm and no indication of the ultimate consignee has often been a prelude to diversion.

5. The shipment described in paragraph 2 is the third such shipment of copper scrap by METALOTECNICA, Lima. The first, of 4.47 tons shipped in September 1953 and consigned to C. Steinweg, Rotterdam was probably diverted

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(see DCN Case # 76). The second is described in IWG Memorandum of 13 April 1954, Control No. 448498. The outcome of that shipment is not yet known.

The current shipment, "to order" with transshipment in Rotterdam, presumably for Liverpool, appears susceptible of diversion. The ultimate consignee is not indicated.

6. a. The SS ESSEN arrived in Antwerp on 8 June.
b. The estimated arrival time in Antwerp of the MV BOTHE is 16-20 June.
7. Suggestions for the development of further intelligence are, in addition to the routine message to Hamburg:
 - a. Query to Bern and Antwerp re validity of shipment to Selve and Co., Thun (paragraph 1.d.)
 - b. Query to Rotterdam as to disposition of copper described in paragraphs 1.e. and 2.
 - c. Query to Santiago re identity of ultimate consignee of copper shipped by Chile Exploration Co. to Rotterdam, notify Oudkerk.
 - d. Query to Lima re identity of ultimate consignee for copper scrap. (Note: CA-6066, 23 April 1954 re the second shipment of scrap does not appear to have been sent to Rotterdam; also, this office has no evidence of a reply from Lima other than the general despatch, #606 of 5 May 1954.)
8. It is requested that this agency be advised of use of the foregoing information by the addressees of this memorandum.

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Executive Secretary
Intelligence Working Group

Enclosure (1)
As stated above

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FROM :
DATE OF INFO : 25 AND 30 MAY 1954
APPRAISAL OF CONTENT: 2
SOURCE :
SUBJECT : SHIPMENTS OF COPPER AND OTHER METALS

1. ON 25 MAY 1954, GERMAN SHIP SS ESSEN TRANSITED PANAMA CANAL, EN ROUTE FROM VALPARAISO TO HAMBURG. THE VESSEL CARRIED:

A. 200,000 KILOS COPPER CONCENTRATE, CONSIGNED TO NORDDEUTSCHE AFFINERIE BY COMPANIA MINERA Y COMMERCIAL SALI HOCHSCHILD, S.A. SHIPMENT LOADED AT LOS VILOS FOR DISCHARGE HAMBURG;

B. 1,343,410 KILOS GOLD, SILVER AND COPPER CONSIGNED TO NORDDEUTSCHE AFFINERIE BY CAJA DE CREDITO Y FOMENTO MINERO. SHIPMENT LOADED AT COQUIMBO FOR DISCHARGE HAMBURG;

C. 708,500 KILOS COPPER BLISTER CAKES CONSIGNED TO NORDDEUTSCHE AFFINERIE BY FUNDICION NACIONAL DE PAIPOTE, LTD., LOADED AT CALDERA FOR DISCHARGE HAMBURG;

D. 199,958 KILOS COPPER BARS CONSIGNED TO "ORDER", NOTIFY SWISS METAL WORKS SELVE AND COMPANY, THUN, SWITZERLAND, BY THE CHILE EXPLORATION COMPANY, ANTOFAGASTA. SHIPMENT LOADED AT ANTOFAGASTA FOR DISCHARGE ANTWERP; AND

E. 507,935 KILOS COPPER BARS CONSIGNED TO "ORDER", NOTIFY MESSRS S. OUDKERK, ROTTERDAM, BY CHILE EXPLORATION COMPANY, ANTOFAGASTA. SHIPMENT LOADED AT ANTOFAGASTA FOR DISCHARGE AT ROTTERDAM.

2. ON 30 MAY 1954 NORWEGIAN MV. BOTHE TRANSITED PANAMA CANAL, EN ROUTE FROM WEST COAST SOUTH AMERICA TO ANTWERP,; -.534\$-. -,\$ EREMEN, VIA CRISTOBAL, CARTAGENA AND CURACAO. VESSEL CARRIED 2",369 KILOS SCRAP COPPER CONSIGNED TO "ORDER" WITH TRANSSHIPMENT IN ROTTERDAM, FROM METALOTENICA, S.A. SHIPMENT LOADED AT CALLAO FOR DISCHARGE LIVERPOOL.

(END OF MESSAGE)

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